

FISCAL NOTE

SB 2381 - HB 2518

February 18, 2004

SUMMARY OF BILL:

- Requires that the property disclosure form include information on whether the home being sold was or is on a flood plain.
- Provides that for all homes sold on and after July 1, 2004, a home buyer shall receive a letter stating whether the home lies in a flood plain or at one time did lie in a flood plain but has been raised above the level of the flood plain.
- A violation of the provisions of this bill concerning the issuance of a letter constitutes a violation of the *Tennessee Consumer Protection Act of 1977* and is punishable through private rights of action and civil penalties.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant
Increase State Expenditures - Not Significant
Increase Local Govt. Revenues - Not Significant
Increase Local Govt. Expenditures - Not Significant

Estimate assumes:

- any increase in state revenues from the collection of civil penalties is estimated to be not significant.
- any increase in state expenditures to implement and monitor the provisions of this bill is estimated to be not significant.
- some increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenues from fees, taxes, and costs collected. However, such increases will be not significant.

For informational purposes, it should be noted that this bill purports to add a new section to TCA, designated as 47-18-125. This section currently exists in TCA and provides for certain protections of elderly persons.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director